

**CITY OF MORGAN HILL
JOINT SPECIAL AND REGULAR REDEVELOPMENT AGENCY AND
SPECIAL CITY COUNCIL MEETING
MINUTES - AUGUST 22, 2001**

CALL TO ORDER

Mayor/Chairman Kennedy called the meeting to order at 6:02 p.m.

ROLL CALL ATTENDANCE

Present: Agency/Council Members Sellers, Tate, and Mayor/Chairman Kennedy
Late: Vice-chairman/Council Member Carr
Absent: Agency/Council Member Chang

DECLARATION OF POSTING OF AGENDA

Office Assistant Lewis certified that the meeting's agenda was duly noticed and posted in accordance with Government Code 54954.2

Redevelopment Agency/City Council Action

CLOSED SESSION:

Redevelopment Agency/City Council Members convened in closed session at 6:03 p.m., with the announcement by Mayor/Chairman Kennedy that there were four items to be discussed in the Closed Session.

1.

**CONFERENCE WITH LEGAL COUNSEL - POTENTIAL AND EXISTING LITIGATION:
CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Legal Authority: Government Code 54956.8 & 54956.9(a) & (c) (1 potential case)
Real Property(ies) involved: APN 728-31-007 & 008; 25.50 acres located on the southwesterly side of Cochrane Road (St. Louise Hospital property)
City Negotiators: Agency Members; Executive Director; Agency Counsel; F. Gale Conner, special counsel; Rutan & Tucker, special counsel
Case Name: San Jose Christian College v. City of Morgan Hill
Case Number: Santa Clara County Superior, No. CV 799179
Closed Session Topic: Potential Existing Litigation/Real Estate Negotiations

2.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant Exposure to Litigation
Authority: Government Code Section 54956.9(b)
Two (2) Cases

3.

CONFERENCE WITH LEGAL COUNSEL - REAL PROPERTY NEGOTIATOR

Legal Authority: Government Code 54956.8
Real Property Involved: 17.58 acre parcels located on the east side of Condit Road, bound by Condit Road, Tennant Avenue, Barrett Avenue and Murphy Avenue (APN 817-13-017)

Negotiating Parties:

For City/Agency:	City Manager/Executive Director; City Attorney/Agency Counsel; Director of Business Assistance & Housing Services
For Property Owners:	Virginia Lomanto Trustee
Closed Session Topic:	Acquisition of Real Property

4.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Case Name:	City of San Jose v. Morgan Hill Unified School District
Case Number:	County of Sacramento, Case Number 01CS00196

OPPORTUNITY FOR PUBLIC COMMENT

Chairman/Mayor Kennedy opened the closed session items to comment. There being no one present who wished to address the items on the closed session agenda, the public hearing was closed.

RECONVENE

Mayor/Chairman Kennedy reconvened the meeting at 7:00 p.m. (Vice-chairman/Council Member Carr was in attendance.)

CLOSED SESSION ANNOUNCEMENT

Upon the return of the Members of the Redevelopment Agency and the City Council, Chairman/Mayor Kennedy announced that the closed Session stood in recess and would be reconvened following the evening's open session meeting with Closed Session Agenda item number 4 being considered at that time. City Attorney Leichter reported no actions were to take place as a result of the closed session at this time.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

At the invitation of Mayor/Chairman Kennedy, City Manager/Executive Director Tewes led the flag salute.

INTRODUCTIONS

Director of Public Works Ashcraft introduced new employees, Keith Amdur, Utility Worker I; and Mario Jimenez, Engineering Aide I.

Redevelopment Agency Action

CONSENT CALENDAR:

1) JULY 2001 FINANCE AND INVESTMENT REPORT

Chairman Kennedy noted the document had been distributed. He opened the floor to public comment. No comments were offered.

Action: *On a motion by Agency Member Tate and seconded by Agency Member Sellers, the Agency Commission, on a 4-0 vote with Agency Member Chang absent, Accepted and Filed the Report.*

City Council Action

2) ACCEPT DONATION OF BICYCLE FROM SPECIALIZED BICYCLES FOR THE POLICE BIKE PATROL PROGRAM

Staff report was given by Captain Sullivan with the explanation that these locally made bicycles were used for work in the downtown areas, including parks and inner City neighborhoods. Bicycles are carried on the back of squad cars for easy accessibility by the Police. He noted that the public appreciates seeing the officers in the downtown areas.

Mayor Kennedy opened the public hearing. With no one present wishing to address the item, the public hearing was closed.

Action: *On a motion by Mayor Pro Tempore Sellers, second by Council Member Carr, the City Council, on a 4-0 vote with Council Member Chang absent, Accepted donation of a full suspension bicycle valued at \$1,299 from Specialized Bicycle, Inc., along with miscellaneous peripheral equipment totaling \$362.82 to add an additional bicycle for the bicycle patrol program.*

Redevelopment Agency and City Council Action

3) CITY WIDE HOUSING PAINT & CLEAN-UP PROGRAM - Resolution Nos. 5505 & MHRA-235

Director of Business Assistance and Housing Services Toy presented the staff report, indicating that the house paint program is a housing rehabilitation program targeting low income residents with an emphasis in lead paint removal. He stressed the clean-up program is anticipated to witness the removal of over 150 yards of debris. Mr. Toy highlighted the value of the program, saying that each time the funds are utilized, it promotes the health and safety of local residents. Council Member Sellers agreed, "This is a very valuable program for the community and is important to the safety of the youth."

The public hearing was opened by Chairman/Mayor Kennedy. With no one present wishing to speak to the item, the public hearing was closed.

Action: *On a motion by Agency Member/Mayor Pro Tempore Sellers and seconded by Agency/Council Member Tate, the Agency Commission/City Council, on a 4-0 vote with Agency/City Council Member Chang absent, **made** findings of benefit for the use of agency 20% housing set aside funds outside of the Ojo De Aqua Community Development Program Area ("Project Area") for the Housing Paint & Clean-up Program. _____*

City Council Action:

Action: *On a motion by Agency Member Sellers and seconded by Council Member Tate, the City Council, on a 4-0 vote with Council Member Chang absent, **Adopted** Resolution No. 5505 making findings of benefit for the use of funds from the Morgan Hill Redevelopment Housing Fund for the Housing Paint and Clean-up Grant Program.*

Redevelopment Agency Action:

Action: *On a motion by Agency Member Sellers and seconded by Agency Member Tate, the Agency Commission, on a 4-0 vote with Agency Member Chang absent, **adopted** Resolution MHRA-235, making findings of benefit for the use of funds from the Morgan Hill Redevelopment Housing Fund for the Housing Paint and Clean-up Grant Program; and finding that use of the funds outside of the project area is of benefit to the project area.*

Redevelopment Agency Action

OTHER BUSINESS:

4) **AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH SPORTS MANAGEMENT GROUP FOR SERVICES TO PREPARE STUDIES FOR MORGAN HILL COMMUNITY FACILITIES**

Budget Manager Thai presented the staff report, noting that he has been working with the Recreation Division to develop the Cultural Center, the Community Center, and the Community Playhouse. He said the purpose now is to have a presentation by the Sports Management Group to provide an overview of their work on other facilities in other municipalities and with other jurisdictions.

Chairman Kennedy opened the floor to public comments.

Terry Nelson, representing the YMCA, that the YMCA will be conducting a feasibility study, partnering with the City for service provision at the Community facilities. She explained that the YMCA, at the national level, had instituted this type of study about 10 years ago and had been successful in helping to locate and site facilities like this in local communities.

Sandra Karse and Michael Jersen, both of the Sports Management Group, located at 220 Fourth St.,

#200, Oakland, responded to questions by the Agency Commission indicating that the work completed and displayed in the slide presentation well qualified the firm for work in Morgan Hill. The speakers said they would use the materials and studies in progress for completing the work in the City. Discussion ensued regarding the appointment of the Advisory Committee which is anticipated in September.

Action: *On a motion by Agency Member Sellers, seconded by Agency Member Tate, the Agency Commission, on a 4-0 vote with Agency Member Chang absent, **authorized** the Executive Director to negotiate and execute a consultant agreement with Sports Management Group in the amount of \$55,000 for services which includes a facility feasibility analysis, fee analysis and business plan models for the Morgan Hill Community Cultural Center, Community Playhouse, and Community Recreation Center. The motion carried with the unanimous vote of all present and Chang was absent.*

Mayor/Chairman Kennedy requested the presenters to participate in the upcoming Taste of Morgan Hill (September 29 and 30), and received a favorable response.

Redevelopment Agency and City Council Action

PUBLIC HEARINGS:

5) REDEVELOPMENT AGENCY INDEBTEDNESS - Resolution Nos. 5220 & MHRA-538

Finance Director Dilles presented the staff report, explaining that it is important for adequate indebtedness to be displayed in the reports to the Redevelopment Agency in October; otherwise the County would likely reduce the share of taxes to be received by the City.

Chair/Mayor Kennedy opened the public hearing. With no one present to address the issue, the public hearing was closed.

City Council Action:

Action: *On a motion by Council Member Carr and seconded by Mayor Pro Tempore Sellers, the City Council, on a 4-0 vote with Council Member Chang absent, **adopted** Resolution. No. 5520, approving payment by the Morgan Hill Redevelopment Agency for all or part of the cost of the installation and construction of certain improvements.*

Redevelopment Agency Action:

Action: *On a motion by Agency Member Tate, and second by Vice-chairman Carr, the Agency Commission, on a 4-0 vote with Agency Member Chang absent, adopted Resolution. No. MHRA - 238, approving payment by the Agency for all or part of the cost of the installation and construction of certain improvements.*

ADJOURNMENT

There being no further business Chairman/Mayor Kennedy adjourned the meeting to closed session at 8:10 p.m.

RECONVENE

Chairman/Mayor Kennedy reconvened the meeting at 8:29 p.m.

CLOSED SESSION ANNOUNCEMENT

Agency Counsel/City Attorney Leichter announced that no reportable action was taken on the above listed closed session items.

ADJOURNMENT

With no further business to be conducted, Chairman/Mayor Kennedy adjourned the meeting at 8:30 p.m.

MINUTES RECORDED AND PREPARED BY:

/s/ Judi Johnson

Judi Johnson, Minutes Clerk